

To the Members of the California State Assembly:

I am signing Assembly Bill 2012. This bill requires health plans and health insurers that, under existing law, must offer coverage of orthotic and prosthetic devices and services to offer that coverage with annual and lifetime benefit maximums and maximum out-of-pocket costs equal to those of other benefits. Currently, when health plans and insurers offer orthotic and prosthetic coverage they may offer coverage that in reality provides only a small portion of the total costs of a prosthetic limb. For instance, a health plan may only cover \$2,000 of the cost of a prosthetic arm, leaving the patient to pay the remaining cost which could be \$10,000 or higher.

While I am very concerned about the rising costs of health care coverage and have vetoed many bills mandating coverage for certain services, I believe that when someone chooses to purchase additional coverage, that coverage must not be illusory.

I am signing AB 2012 to ensure that when individuals and employers choose to purchase additional benefits they receive bona fide coverage.

Sincerely,

Arnold Schwarzenegger